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TAGS: [PGOV](#) [EINV](#) [ECON](#) [AG](#)
SUBJECT: PRESIDENT BOUTEFLIKA'S PUBLIC CRITICISM OF CABINET
MEMBERS SPURS SPECULATION ABOUT GOVERNMENT RESHUFFLE

REF: A. ALGIERS 0622

[1](#)B. ALGIERS 0662

Classified By: Ambassador Richard W. Erdman,
Reasons 1.4 (b) and (d).

[1](#)1. (C) SUMMARY: During a 30-stop visit to government-sponsored development projects around Algiers April 8 and 9, President Bouteflika publicly rebuked several of his ministers for Algeria's slow progress in infrastructure development, educational advancement, and openness to foreign investment. In a clear jab at their performance, the President highlighted the Algerian educational system's lack of management training, noting that "there is not a single sector where we have good managers, even at the level of a football team." Privately, the President expressed his outrage at the Minister of Justice for his mistaken release of terrorists implicated in the 2002 plot to attack Los Angeles International Airport and bombings in France in 1995. The positive reaction of many Algerians to the President's bluntness may embolden him -- as the press and several Embassy contacts have speculated -- to reshuffle his cabinet soon. (End Summary.)

POOR MANAGEMENT AND LAGGING HUMAN DEVELOPMENT

[1](#)2. (SBU) President Bouteflika visited approximately 30 GoA-sponsored projects around Algiers April 8 and 9. Although billed as a series of ribbon-cutting and stone-laying ceremonies to showcase GoA progress in infrastructure development, the President used the visits to publicly express how he was "distressed and irritated" by the ineffectiveness and sluggishness of many GoA reforms. Embassy contacts noted that the visits could have been completed in just a few hours but the President insisted on two days of inspections to see the sites for himself and offer public feedback to his ministers.

[1](#)3. (U) The President criticized the Algerian education system, publicly telling Minister of Education Benbouzid that many university graduates were unable to speak a single language well. He stressed a need for programs to train teachers at the primary, secondary, as well as university levels. "The current situation," he said, "cannot continue as it is. It will only lead to mediocrity." In a clear jab at the competence of his own cabinet, the President repeatedly stressed the GoA's need for better management training. "Hospitals, schools, and all public establishments should be managed by qualified people," he said at the University of Bab Ezzouar, noting that in Algeria "there is not a single sector where we have good managers, even at the level of a

football team!"

DISAPPROVAL OF AIRPORT CONSTRUCTION DELAY

14. (U) Bouteflika reserved some of his harshest criticism for Minister of Transportation Maghlaoui. Construction delays rendered Bouteflika's recent inauguration of the new Algiers International Airport merely symbolic. Although an inaugural Air Algerie flight departed April 9 for Paris, the terminal is not slated to open to passengers until June. At the sham ribbon-cutting, the President told Maghlaoui, "You are very late and this is not what you said at the Council of Ministers."

ANGER AT JUSTICE MINISTER

15. (C) According to Embassy contacts, President Bouteflika was irate after Minister of Justice Tayeb Belaiz released five Algerian extremists that should not have been freed under National Reconciliation. The Algerian press reported that three of the extremists were involved in the plot to attack Los Angeles International Airport in 2002 (ref A); another was involved in bombings in Paris in 1995; and another, Mehdi Fateh, had been turned over to Algeria from Syrian authorities last year. The GoA subsequently re-arrested the five extremists in early April. The inadvertent releases occurred because Belaiz's office had not carefully vetted the list of prisoners eligible for release under National Reconciliation. Belaiz attempted to pass blame to the magistrates handling the case, publicly acknowledging a mistake had been made and noting that magistrates "are not infallible."

NOT EVEN THE "PRESIDENT'S MINISTERS" SPARED

16. (U) Even some of the ministers closest to Bouteflika, often referred to as the "President's Ministers," were unable to escape his recent scorn. Bouteflika criticized the red tape facing potential investors in Algeria, telling Minister of Finance Medelci that the GoA should provide clear guidance to potential investors to help steer them through Algeria's formidable bureaucracy. He said that he was "distressed" to see foreign investors hesitate to come to Algeria because of "cumbersome procedures and the quality of the greeting they receive." Bouteflika also told Minister of Privatization Temmar to stop his foot-dragging on the construction of a business district in Bab Ezzouar.

COMMENT

17. (C) By publicly commenting on his government's mishandling of so many domestic programs, Bouteflika -- who has received a half dozen heads of state in Algiers so far this year -- can allay some of the concerns that he has focused too heavily on Algeria's external affairs. The two-day visit further proves to his critics and conspiracy theorists alike that following his hospitalization last year, the President still has the stamina to conduct his official duties. In expressing his frustrations with the slow pace of reforms, Bouteflika is showing a tacit recognition of the recent criticism posed by prominent Islamists, notably FIS founder Belhadj, that the GoA -- flush with billions of dollars in oil revenue and slated to spend USD 60 billion on development programs in the coming five years -- is not meeting basic obligations to its citizens such as jobs and housing (ref B). The President's recognition that the country's oil wealth should be devoted to human development is an encouraging move.

18. (C) As a result, many Algerians reacted positively to Bouteflika's at-times blunt rebuke of the GoA record. The timing of the President's outspokenness -- on the two year

anniversary of his re-election -- is likely meant as a gesture to show average Algerians that he shares many of their frustrations and complaints about unresponsive governance and continues to look out for their well-being. Embassy contacts noted that it is also an early indication that the President plans to reshuffle his cabinet. Now having decried the critical shortage of effective managers in Algeria, the remaining question is whom Bouteflika would call upon to run his key ministries in place of his current team.

ERDMAN